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FISCAL IMPACT STATEMENT

LS 6773

BILL NUMBER: HB 1607

NOTE PREPARED: Feb 24, 2009

BILL AMENDED: Feb 19, 2009

SUBJECT: West Lake Commuter Rail Project.

FIRST AUTHOR: Rep. Dobis

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: GENERAL
DEDICATED
 X FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill:

- (1) requires a city or county that participates in the Northwest Indiana Regional Development Authority to remain a member for at least ten years;
- (2) prescribes the terms for withdrawing from the development authority;
- (3) requires the development board of the Northwest Indiana Regional Development Authority to separately account for money received or designated for construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of a West Lake commuter rail line; and
- (4) appropriates money to various public transportation projects.

Effective Date: (Amended) July 1, 2008 (Retroactive); Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill requires the Development Board of the Northwest Indiana Regional Development Authority to separately account for money received or designated, which will cause an increase in administrative expenditures for the development board of the Northwest Indiana Regional Development Authority. It is estimated that these provisions of the bill could be implemented through the use of existing staff and resources. The bill also requires a participating county or city to remain a member of the Authority for at least ten years.

Explanation of Local Revenues: (Revised) The bill requires that certain funds received be separately accounted for and used only for the following purposes:

(A) Providing funding to assist a commuter transportation district in an eligible county in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line.

(B) Using the development authority's funds to match federal grants or make loans, loan guarantees, or grants to facilitate the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line.

(C) Exercising any other power or duty of the development authority to facilitate the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of the West Lake line, including the issuance of bonds, the establishment of reserves, the acquisition of property, and the entering into of leases and other agreements.

The bill appropriates \$53 M from Indiana's apportionment of grants to the states under the Federal American Recovery and Reinvestment Act of 2009 for the period beginning July 1, 2008, and ending June 30, 2010, to transportation entities for various transportation purposes as shown in the table below.

The amounts are to allotted and distributed without further review or approval by any other state official or body, and the money appropriated is not subject to transfer, assignment, or reassignment for any use or purpose other than the uses and purposes specified in this bill.

Recipient	Purpose	Amount
NICTD*	Relocates rail lines to west side of airport in South Bend	\$15 M
NICTD*	For preliminary engineering and environmental studies to construct Phase 1 of West Lake	\$15 M
NICTD*	Make track safety improvements in Michigan City	\$5 M
CIRTA**	Advance proposed rail transit for northeast corner of central Indiana	\$15 M
IPTC***	For purposes authorized under IC 36-9-4	\$3 M
TOTAL		\$53 M
*Northern Indiana Commuter Transportation District **Central Indiana Regional Transportation Authority ***Indianapolis Public Transportation Corporation		

(Revised) Background Information:

According to the American Recovery and Reinvestment Act of 2009, the purposes and principles of the Act include the following:

- (1) To preserve and create jobs and promote economic recovery.
- (2) To assist those most impacted by the recession.
- (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health.
- (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.
- (5) To stabilize state and local government budgets in order to minimize and avoid reductions in

essential services and counterproductive state and local tax increases.

(b) General Principles Concerning Use of Funds- The President and the heads of federal departments and agencies shall manage and expend the funds made available in this Act so as to achieve the purposes specified in subsection (a), including commencing expenditures and activities as quickly as possible consistent with prudent management.

The bill also provides that grant recipients are to file with the State Budget Agency financial statements showing the uses of the amounts distributed.

State Agencies Affected: Budget Agency.

Local Agencies Affected: Development board of the Northwest Indiana Regional Development Authority; NICTD; CIRT; Indianapolis Public Transportation Corporation.

Information Sources: H.R. 1, American Recovery and Reinvestment Act of 2009, Government Printing Office.

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